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# THE RENEWED EXTENSION OF GOVERNMENT CONTROL OF ECONOMIC LIFE

ANNUAL ADDRESS OF THE PRESIDENT

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For some twenty-five years there has been a marked recession among English-speaking peoples from the strong individualism of the early 19th century towards a gradual extension of government authority in economic matters. Laissez-faire has been discredited both as a principle of political philosophy and as a rule of conduct. Whether we should try to restore its prestige or with what other principle we shall replace it, however, are matters concerning which current discussion is somewhat confused. On the one hand are those who declare that competition has broken down, and has produced a monopolistic system which will in time completely supplant it, and which is of such tremendous extent and power that it can be managed only by the government. On the other hand are those who believe that competition is a force which should be preserved as a ruling power in economic life, and would therefore prevent by government action the establishment of monopolies and break them up where they are already established. This, in substance, is the policy that our own federal government has been pursuing since the enactment of the Interstate Commerce Law in 1887. Still others urge that all we need to do is to prevent the evils of excessive competition by setting limits within which competitive forces must work. The first group of thinkers take the socialistic view and call for government ownership or at least for direct government management. The second group are still in effect believers in the laissez-faire principle, and think to restore it by destroying monopoly. The third group also are still faithful to their belief in the efficacy of competition but would restrict its field of operation at the bottom so as to prevent industrial degradation.

A centralizing tendency, that is, a departure from the principle of individual liberty and a return to the principle of authority, is to be seen in many if not all domains of thought at the present time. Therefore, to understand properly what is going on in industrial life we need to look at the change that is going on in other life spheres. The terms laissez-faire and competition are

commonly used to describe the policy more properly called economic liberalism. But economic liberalism is more than a political platform or an economic formula. It is a system of culture that has given character to the life of a great people for more than two centuries. It is a superstructure erected on the principle of personal liberty in religious and political matters. The 17th century was an era of religious contest that resulted in the establishment of ecclesiastical independence, which in turn carried the rule of individualism to constitutional and political emancipation. Once established in religion and politics, the principle of personal independence found its way into economic conduct, and the system was thereby made complete. Just as in its upbuilding it was closely connected with personal liberty in other spheres of life, so the present alleged breakdown of competition—the principle of personal liberty in economic life—and the alleged restoration of the principle of authority finds its counterpart in the movement towards church unity, uniformity of creed, the extension of state as against local authority over education, the extension of the federal principle in politics, and the widening censorship of morals. The application of the authoritarian principle is being made in these lines for reasons quite similar to those that are causing its application in industrial affairs. The excesses of the personal liberty system in morals, religion and literature, have produced results that are shocking the sensibilities and shattering the ideals of multitudes of people. Hence, the demand for control. In politics the extreme application of the principle of local government has rendered equity, justice, and efficiency impossible in a multitude of ways. Hence, the demand for state and federal control.

Under no system of government regulation of conduct, however extensive or intensive, has competition or personal initiative been entirely absent, unless, indeed, under a system of slavery; and at no time, under the most extended system of competitive action, has it been possible to do away entirely with government supervision and regulation. Even among the English-speaking peoples in the past two centuries, when the laissez-faire aspects of economic liberalism have seemed to predominate, it has not been possible to get on without government regulation and supervision. The reason is that the knowledge and resources underlying any political and social system are constantly changing. Whether the principle of personal liberty, expressed through competition, or the principle of authority, expressed through government regu-

lation, shall be the dominating principle of civilization at a particular period, depends on which one of them is likely, under existing conditions of knowledge and resources, most largely to promote welfare. When evils flow from the too extensive application of the prevailing principle, or, when, in new circumstances, it is less productive of welfare, emphasis is gradually shifted until the other principle occupies the foreground and becomes the dominating force. Such is the situation now. Conditions have changed so that the necessity and value of regulation are emphasized again. The régime of personal freedom of competition under the conditions of rapid scientific discovery and material growth has failed to preserve, or perhaps to produce, the equality necessary for success among competitors. Growing population, the development of vast resources, the great size of units of industry, have made the application of the competitive principle in many ways impracticable. Competition has degenerated at many points from a struggle between equals to an exploitation of the weak by the strong. Industry has been swallowed up by industry until in many lines a practical monopoly exists, so that prices, wages, terms of employment, and the welfare of large numbers of people, are in the control of comparatively few. The benefits of the common heritage of natural resources have passed too largely from the people at large. On all sides we find private monopolies and a natural system of capitalistic industry, involving large control of the opportunity for livelihood for the many. These evils have been produced, under conditions favorable to the acquisition of great wealth and its massing under the corporate principle, by a system that gave the world a "democratic constitution," "the same law for all," "toleration," "capitalistic competition," "individual initiative," and the other benefits of liberalism. In more general terms, the causes for the extension of government control are: the ill-doing of some under the competitive system; our desire for rapid national development, which led us to give large powers to those who were to assume the risks of frontier promotion—powers which, then innocuous, have now become dangerous—; a demand for a better standard of living by the great body of the working class, who are asking with some show of reason what the advances in science and industry have done for them. Moreover, there is a feeling of resentment of control by others of their opportunity to make a living.

The demand for state regulation either for the purpose of

restoring the competitive principle in industry, or frankly supplanting it with the principle of authority, finds some justification, too, in the belief, not altogether ill founded, that the economic evils of great industry have arisen in part from the treatment of the modern form of the corporation by our courts of law. They have given it in a measure the attributes of a natural person, without imposing upon it the consequences of personal responsibility. Hence, it has frequently been impossible to reach the misdeeds of individuals because of their attribution to non-personal agents. Penal remedies and preventive measures alike have been often ineffective to protect the public. Consciousness of this evil is seen in the demand for holding directors of corporations to personal responsibility for the acts of the corporation, and in the movement for the disruption of "corporations of corporations."

From all these causes arises the demand for government protection for the weak in industry; and some people appear to think that unless the right to make a living is in a reasonable measure provided, the next step may be an attack on the institution of private property itself. In consequence, "today a great economic movement is going on which aims at reorganizing the entire industrial system from the social standpoint." The call is for the state to look after the conditions of living and work of workers, the management of prices and output of large enterprises, or to take them over and thereby free the many from a virtual economic control of the few, and reestablish, supposedly for all, a proper standard of welfare.

An explanation of the establishment of economic liberalism as a system, in the extreme form in which it has existed for more than a century, is found in the abnormal condition of the four centuries succeeding the discovery of America. Since that discovery the life of the world has been abnormal in the sense that it has been in a state of unstable equilibrium because of the existence of opportunities for personal initiative, personal gain, and individual expansion under conditions that yielded larger rewards than ever before. Economic pressure in the old world could be relieved by overflow into the new world. The great advantage that came from this situation is now reduced by the substantial occupation of this continent. The fact that our continent is, in the present stage of the arts, substantially occupied, indicates that the world is about to return to a more stable economic

equilibrium. The development of the industrial evils of today and the consequent demand for regulation are simply an unconscious acknowledgment that, all things considered, we have reached in this country a stage of relatively diminishing returns in our economic activity. It is a recognition of the truth of the law of diminishing returns and of the Malthusian doctrine of population, that unless the arts progress more rapidly than population there is bound in time to be a relative pressure of population on subsistence.

Man is so constituted that when he feels the evils of an existing system he is likely to adopt measures of reform which will produce evils as great as those he is seeking to remedy. That danger exists now. We need to look very closely at the tendency towards the extension of the authority of government into the details of our economic life. The principle of competition, the system of economic liberalism, has been too helpful to the progress of mankind to be given up altogether. It has become an enduring part of our civilization and philosophy of life. We cannot deny that the competitive system has promoted liberty and welfare, initiative and perseverance, industry and success, wealth and culture, an abundance that has relieved poverty, has exploited to human benefit the resources of nature more abundantly than ever before, has enlarged knowledge, has provided for the possibility of a greatly increased population, and, generally, has uplifted the life of the people. No system which will deprive mankind of these advantages is likely to promote welfare unless it supplies other motives to the same results. For competition has been a developing force, even if it has failed somewhat as a controlling one. The motive power to action is of more importance in the long run than the regulation of action.

In order to judge clearly the reasonableness of this demand for wider government control of economic life, and possible results of acquiescence in it, we must recall for a moment the ultimate purpose of government. It is, undoubtedly, the promotion of the welfare of the people who organize it. In the words of Justice Gray, "The prosecution of the safety, health, the morals, good order and the general welfare is the chief end of government," and the general welfare includes protection of opportunity to make a living. This is not a new maxim in the jurisprudence of the English-speaking peoples. The system of personal liberty and the system of government control, or any combination of

them, has always had, and must always have, as its ultimate aim, among these peoples, the establishment of welfare. All social institutions, including the system of private property, are encouraged, or permitted, for this end. As Justice Bruce of the Supreme Court of North Dakota has put the matter: "It can now be safely said that the courts and the public generally have come to see and to hold that a right to property and liberty should never be guaranteed in matters and things which are injurious to the public health, the public welfare, or the public morality, or even to the convenience of the public as a whole."

As we have seen, the call for the application of the power of government assumes several forms. Some call upon it to restore the competitive principle by breaking up large industries, and so to regulate business that competition will operate within certain assigned limits. This is the neomercantilism that is sweeping over the world. Some call upon it to assume that competition as a regulative force is dead, and therefore to permit monopoly under supervision. Others insist that since competition is dead and monopoly established the government itself shall take over and manage the greatest of these monopolies. This is the demand of the socialists.

It is not worth our while to consider the last proposal. There is no evidence worth considering that the American people have yet reached the point where they desire the establishment of the socialistic state. The principles of individual liberty and the rights that have been established upon them through the long struggle of four centuries will not be abandoned. Economic liberalism in the large sense is and will remain a living faith among the English-speaking peoples, even though they may see fit to establish what is called the new "social state."

It is impossible, of course, to discuss now all the projects put up, either for the complete restoration of competition, or for its partial restoration under government regulation. I invite your attention, therefore, to a few of the proposed lines of action. It is urged, first, that the government promote welfare by general social legislation; second, that the government regulate wages, particularly by establishing a general minimum wage; third, that the government regulate prices, particularly in those articles that may be regarded as the products of monopolistic, or partly monopolistic, industries; fourth, that the government determine in some way the form and size of business organizations; fifth,

that the action of government be confined to supervision of business as it is carried on in order to prevent infractions of the law and give full publicity to the methods of so-called "big business"; and finally, that the right of society in great accumulations of property shall be more clearly defined and enforced either by taxation or other means.

The proposal for what is called welfare legislation, for such purposes as the prevention of accidents, sanitary conditions of work, due limitation of hours of work, the protection of women and children in industry, and all similar legislation, has long passed out of the stage of debate. Formerly governments busied themselves in enacting labor laws against labor. Now they busy themselves in the enactment of laws interfering with labor in the interest of labor. The principle of this legislation is accepted, however men may differ about details.

When we come to the proposition to fix a minimum wage, we are confronted with more debatable questions. In so far as the wages actually paid in so-called sweated and parasitic industries are below what the employer could afford to pay while still making a proper profit—in so far, in other words, as they are due to exploitation—; in so far as wages paid are insufficient to afford a decent living in any industry in which profits are large from some monopolistic advantage;—in short, in all cases in which wages are below what is necessary for a decent living in any employment because of "exploitation"—there can be but one opinion of the desirability of insisting upon a minimum. It would be a mistake, however, either to insist upon a minimum wage in all industries, or to compel the payment of a minimum wage which, as a matter of fact, is more than the value produced by the person receiving it if the returns to entrepreneur and capitalist are but fair, or to insist upon a minimum wage in any case without providing for its constant readjustment. To justify these statements we must consider some of the effects of such an action. In the discussion I repeat that I am leaving out all cases of mere exploitation, assuming that in these a compulsory standard is economically justifiable.

If a minimum wage is established larger in amount than the product of the marginal workers, they are bound to be thrown out of work. It is easy to say that if an industry is not able to pay a "living wage" it had better not exist. But a "living wage" is a very variable thing, and the fact that some people are



living on the wage they get may be regarded as evidence that to them it is a living wage, although not a desirable living wage. The question to be considered is not whether such an industry is worth while, but whether, if we by election abolish it, those who are thrown out of work can find other employment at as good or better wages. It is difficult to see where they would find it if, in economic terminology, they are "the marginal workers," and are already getting what they produce.

The imposition of a minimum wage under such circumstances would make it necessary for employers in many cases to raise the margin of industry and discharge their present marginal workers. Otherwise the business would not be profitable. This is only another way of saying what has already been said, that insistence upon the minimum wage would doubtless reduce to idleness all below the new margin, unless, indeed, as might happen in some cases, the improvement in the standard of living of the lowest workers increased their efficiency, or unless the imposition of the additional burden on industry stimulated the discovery of new methods or resources. In the one case we should have an increase of productivity of labor; in the other, of capital. In either case the industry could pay the wage imposed. But we could not hope that such a result would be general.

Looking at the matter from another angle, a minimum wage which was not earned at the margin would reduce profit or interest, or both, and react on the accumulation and investment of capital. In time there would be inevitably a slackening of industry and a reduction of employment. I see no logical escape from the conclusion that a general minimum wage, or a minimum wage imposed widely, if it were higher than the product of the marginal worker, would act to curtail industry, check accumulation and investment and induce unemployment.

Moreover, we must remember that if the state insists upon a minimum wage and guarantees it, it also should guarantee efficiency. There is no more justice in compelling the employer or investor to abandon his profit or interest, if it is only legitimate in amount, in order to raise wages than there is in permitting unduly low wages to be paid in order to increase profit.

Any effort of the government to regulate prices, except to see that they are not monopolistic or are not fixed by agreement among other agents, is open to criticism for reasons somewhat similar to those given against the minimum wage proposition.

There is no more economic reason for fixing prices to enable labor to get a fair wage or the consumer to get a "fair price" than there is to fix prices in order to enable the investor to get a "fair interest." There may be reasons for doing both, if it were practicable. But the practicability is doubtful because of the complexity and changeableness of the factors involved. The government and its agents have no means of determining beforehand the effects of any particular line of action on prices. They could not fix prices fair to investors, workers, and consumers without knowing costs and conditions of markets and a multitude of other things which are changing from day to day, and which, if they could be discovered and set down in figures, would be beyond the understanding of anybody but the expert in business. Nor could they allow for foreign competition. The attempt would very likely check accumulation and investment. We have a good illustration of the possible effects of such an attempt in the railroad situation in the United States at present.

If the application of the minimum wage doctrine and price regulation in any large way should curtail industry and increase unemployment, the government would be called on to provide for an increasing number of people out of work. The number thus to be taken care of would doubtless grow in time, not only from industrial causes, but from the stimulation to population which would come from a lowering of the moral fiber of the people. For the easier it is made for one part of society to get a living at the expense of another part of society, the larger will be the demand for it and the lower the moral tone of those who demand it. A recent illustration of this fact is found in the effects of Germany's thirty years' experience with insurance against sickness and accidents. Cheating, malingering, and even a certain physical degeneration, have become widespread, so that many thoughtful people are alarmed at the weakening of the moral fiber of the nation, and the sapping of its physical vigor.

From the point of view of economic theory, the proposals, especially with reference to the minimum wage, involve a new ethics and a new economic law of distribution. Broadly speaking, every theory of wages is, first, an explanation of existing conditions, and, second, an attempted justification of them. Each theory has been accepted so long as its practical result was consonant with the prevailing ideal of the general welfare, which means acceptable to the multitude or group or class in power.

The productivity theories have led us to say that each participant in production is entitled to and gets what he produces, for the reason that this has seemed to us good ethics. Now society, in establishing a standard of wages, would assume the theory that each must get what is necessary to enable him to attain a living conformable to the dignities and requirements of citizenship. The proposal is not, "to each one what he produces," but, "to each one what he needs," on a minimum basis. The British Minimum Wage Law for miners frankly recognizes this fact. The ideal of the federation of miners was defined by its representative in these words: "What their demands stipulated was that when a man went into the pit to work . . . he should be assured of a day's wage, fixed and agreed to, and if this was not granted it should be recoverable through a court of law. No matter what the collier's failure or difficulty might be in earning his money, whether it be through faults, breakages in machinery, inundations of water, shortage of tubs, overcrowding, or a walk of long distances to the face; if he was not addicted to idleness, then he should be allowed a fixed minimum wage." "The descending of the pit and the remaining at the coal face to do a day's work shall establish the right of the workman to receive the average wage of the district."

If this policy should become general, the ultimate result would be the elimination of those who cannot earn the minimum and the rising of the margin of production for labor to a point where the product of labor will be equal to the minimum wage fixed by law. In other words, we will have a return to the theory of specific productivity. No other result is possible.

In passing from my criticism of these proposals, however, I would remind you that it does not involve the regulation of wages and prices where these are themselves subject to control by any class to the detriment of another. Aside from this limitation the wisdom of government interference in these directions is more than doubtful.

There is ground for more favorable comment on proposals that the government shall, within limits, determine the form of organization and the size of business enterprises. Industries which are monopolistic in their character are now by general consent regarded as properly subject to government supervision. It is not necessary here to discuss the methods or extent of this supervision further than to say that if it is to be perma-

nently successful it must aim to protect the interests of wage earners, the investing public, and the general public, alike. It must not permit undue profit from excessive rates, or from exploitation of labor. In this field, however, the limits and methods of government intervention are being slowly worked out, although, of course, with considerable friction and many jars. The regulation of public utilities and industries of similar economic character is an illustration in point.

Supervision may take the form either of inspection and publicity of procedure, or of direct attempts to influence the form of organization. The former method has been recommended by President Taft's Railroad Securities Commission, and wherever it has been applied its results have been good, even if they have not cured all the evils. But we may reasonably ask for more than this, at any rate in many cases. The prohibition of what we may call interlocking directories, of stock watering, rebates, price discrimination, and the holding of the stock of one corporation by another, and the elimination or limitation of holding companies, are some of the things that may well be accomplished.

Aside from industries that are clearly monopolistic by nature the whole aim of government interference should be to establish conditions which will induce healthy competition. The government should attempt to determine what constitutes, under existing conditions, an efficient unit, or an efficient size, of a business. It has been claimed for the trusts that they were more efficient as producers and distributors than similar enterprises in the same line. I do not feel that this claim has been established, and think that there are signs that it is largely untrue. The economies of big business have been secured at an economic and social cost that has not been fully evident or fully understood. There is reason for thinking that the dissolution of the tobacco trust has already recovered to society some valuable entrepreneur's talent which was being suppressed by the discharge of clerical duties under the trust, and has induced competition among those of this order of business talent with some resulting shaving of prices to the consuming public. Even if it were true that the biggest business is the most efficient in the sense that the cost of its unit output is lowest, it does not follow that we should permit that system of industry to exist. For we can tolerate only that system which, whatever its mere economic merits, is not likely to

destroy political liberty or economic opportunity. "The best size of unit for general welfare is the thing for us to establish, not necessarily the one which has the largest output or the lowest unit cost."

Moreover, there is justification for fixing a maximum financial unit of business, aside from the question of greatest operating efficiency. For even if competition, working as it does with considerable friction, fixes a price that is a fair return of capital invested, this is not enough for the protection of the public if the capital invested becomes larger than is adequate to perform the total service needed. If it goes beyond this, a "fair" return necessitates a price larger than the value of the product to the community, and economic friction, to say nothing of monopolistic control, sometimes makes it possible to secure such a price.

The fifth proposal in the program of government extension policy is the imposition of greater burdens upon accumulated wealth. This means a renewed emphasis on the social origin and character of property and therefore on the right of limiting it, not only to prevent unjust accumulation, but any accumulation which in character or amount threatens the welfare of society. This question is before the country now in the suit against the Harvester Trust. According to the prosecution in this case, the organization and power of the trust are such that "if the International Harvester Company were disposed to exercise the power its enormous wealth gives, and if it were left unrestrained to do so, it could drive every competitor it has from the field." It is necessary to notice that there is no new legal, ethical, or social principle involved in this doctrine, although the wisdom of extending the principle at present may be an open question.

Some general consequences of these proposals must not pass unnoticed. Undoubtedly, a certain amount of good can be done by proper supervision to prevent the oppression of the weak by the strong and the impairment of the public welfare. It may be true that, as one writer puts the matter, the present movement is an attempt by the community to resume sovereign power in order to conserve the right of the individual to make his living. But bureaucratic supervision can never be a permanent substitute for proper standards of righteousness among men in their dealings with one another. We may have an honest and efficient officialdom that puts the common weal above corporate and personal interest, but we cannot have it for very long. The inherent

weakness of wide and intense government regulation is its lack of motive to take advantage of new conditions to further progress; whereas the inherent strength of a system of individual initiative is the presence of that motive.

If any of the proposed policies is to win final success in improving the condition of any class of society, or of all classes, it can do so only by increasing the sense of responsibility of those directly affected. For those who have made any study of attempts to improve human society through long periods must feel very deeply "how great is the ignorance of the wise, the weakness of the strong, the folly of the prudent and the helplessness of the well-meaning." They will realize that we "cannot sweep away any one thing without upsetting innumerable other things, good, bad, and indifferent."

The adoption of the policies that we have been discussing may mean a period of comparatively stationary economic life. In so far as we clip the wings of motive we impede rapidity of motion. Yet it may be well sometimes to do this. For abundance, irrespective of distribution, will not necessarily produce welfare. What a nation may need may be an abundance sufficient for social welfare according to definite ideals, even though it may not be so great an abundance as with different ideals might be obtained.

It is true that progress in invention and discovery may still go on if bureaucratic oversight should check industry. It will do so, however, only if a sufficient margin of advantage is left with the enterprising pioneer in the future as in the past. A return to the intensive, minute, supervision over industry which prevailed under the old mercantile system would defeat its own purpose. Yet it is hard to tell where to stop when once we use the arm of government for economic purposes. It is doubtful whether in this country the public will endure the menace to liberty involved in very intensive supervision. It is doubtful whether, if the supervision were successful, we should be better off in the long run, and we should have lost all the advantages that have accrued to us under the great system of economic liberalism.

Although, then, there is good in the proposition for the extension of government activity into business, the field of its operation must be carefully limited. Can we, in conclusion, lay down briefly some of the limits within which it should be confined?

I venture to suggest, first, that reasonable welfare legislation, as has already been remarked, is accepted by the American public

as proper, and that our various governments may concern themselves with extending this without objection.

In the second place, government may properly attempt a delimitation and regulation of industries which are monopolies by nature. It may also segregate those, if any, which are likely to be most serviceable to the public and to their owners when treated as monopolies. Although there is room for difference of opinion on details, the principle is generally accepted now that the private enterprises which commonly go under the name of public utilities are best treated as monopolies to be carried on under proper reasonable supervision.

In the next place, the government may properly continue its policy of compelling the trusts to dissolve into their component industries and of requiring big business enterprises to resolve themselves into units of the most efficient size. To accomplish this purpose properly, the government should undertake an investigation of what constitutes a unit of greatest efficiency in the more common big businesses. Having determined this, the law should prevent the organization of businesses which will exceed this most efficient unit in size unless the advance in the arts makes it possible to prove that some larger or different organization is better, in which case the law should be adapted to the new conditions.

Again, the utmost publicity compatible with the rights of business should be given to the transactions of corporations, whether monopolistic or other. But it is hard to justify the minuteness of the inquiries which some of our commissions now propose into various lines of business.

In the next place, the law may very properly forbid agreements fixing prices by producers or distributors of goods. The law may further properly provide a minimum standard of wages for industries in which labor is obviously exploited. Still further, few will object to reasonable increase in the burdens imposed upon great aggregations of wealth for the general welfare, especially when these aggregations of wealth have come from sources that give them a large social element.

Finally, the attitude of our courts towards the character and acts of corporations needs readjustment. There is some ground for believing that from the point of view of the interests of society, it was a mistake to give corporations the attributes of personality. In any event, there is a demand that personal responsibility for corporate acts shall be fixed upon the officers in

such ways as to prevent the recurrence of some of the evils that have given rise to the hostility towards corporations.

One inevitable consequence of the establishment of the principle of government control of economic life must not be lost sight of even if its early appearance is unlikely. Regulation by a government which is the people, for the people, tends to be regulation of the people by a government in spite of the people. Regulation of industrial life in behalf of some means repression of the activities of some others. The government, as such, once recognized as having a right to regulate economic conditions, will be pushed by the ruling class or classes towards regulation or control of the rights of others in politics, religion, and other ways; for economic privileges or rights cannot crystallize into custom and be cast into law in behalf of some as against others without imposing upon the "some" corresponding duties which become privileges or rights of the "others." This process means a slow crystallization of economic status and the production of classes in society.

These, then, are the principal lines of proposed wider government activity at present before the public, in this country and in England. Their significance is far reaching. While declaring no new legal principle, they give a different color to accepted doctrine. The emphasis is now to be put upon the rights of the community in private property and to private property, rather than on those of the individual owner. The movement means that the acquirement of property to an extent that may endanger the public welfare is to be restricted. Laws should be framed, we are told, to care for the worker rather than for industry. In other words, the new movement is an attempt to establish by authority the individualism—conditions of welfare—which individual action itself has failed to achieve. The whole movement imports a lessening of the importance of private property, and a strengthening of the importance of men; an emphasis of public weal as against private gain; a demand for more equality in economic conditions, and greater social responsibility for wealth.